



CITY OF MILPITAS

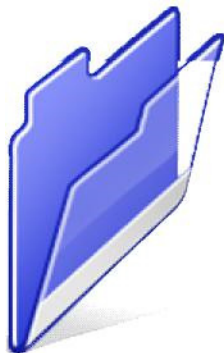
455 EAST CALAVERAS BOULEVARD, MILPITAS, CALIFORNIA 95035-5479
GENERAL INFORMATION: 408-586-3000, www.ci.milpitas.ca.gov

12/04/2018

Agenda Item No. 13F



ADDITIONAL ATTACHMENT RELATED TO AGENDA ITEM AFTER AGENDA PACKET DISTRIBUTION





City Clerk's Office

DEC 04 2018

RECEIVED

December 4, 2018

Honorable Mayor and City Council,

We would like to thank you and City staff for working with us on helping make this project a success for Milpitas. We appreciate the City's understanding that it would be prudent to eliminate the occupancy cap on Lot 1 tied to securing a grocery store tenant as it is contradictory to the necessity of getting as many residents as possible at the District to attract the "right" grocery store. As you know in an effort to keep the development moving forward during the 11/20/18 Council meeting a majority of Council voted to move the requirement from Lot 1 to Lot 2 in accordance with Staff's original recommendation.

One critical item we would request be addressed is that that Lot 2 at The District (207 units and 7500 sf of retail) has been under construction since mid-September of this year and has completely different owners from Lot 1 which is why we objected to placing the grocery store requirement on that Lot. Imposing this requirement could create significant issues for the owners of the Lot 2 property not to mention the institutional lenders who have underwritten and are funding the development. The City is essentially adding a requirement to their original development deal which could have significant financial impacts, after the fact. Lot 4 at The District (193 units and 18,000 sf of retail) will be submitted to the City for Building Permits by January 2019 and has the same owners as Lot 1. Since the ownerships of Lot 1 and Lot 4 are the same we request that the requirement for the grocery store would be more appropriate and feasible if placed on Lot 4; before any occupancies are granted. It would mean a 2-3 month difference from what Staff proposed for Lot 2 originally.

We would also request that council consider delegating the authority to enforce this provision of the SIA if not the entire SIA moving forward to staff. Staff is usually given this discretion in most other SIA's.

Thank you for your continued support.

A handwritten signature in black ink, appearing to read 'Nathan Tuttle', with a long horizontal line extending to the right.

Nathan Tuttle
SVP Development
Lyon Living